

Existing law defines a rural hospital as a licensed hospital which meets one of the following criteria:

- (1) Has no more than 60 hospital beds as of 7/1/94.
- (2) Is located in a parish with a population of less than 50,000.
- (3) Is located in a municipality with a population of less than 20,000.
- (4) Meets the qualifications of a sole community hospital under federal regulations.

New law adds to the definition of a rural hospital a hospital with no more than sixty beds as of July 1, 1999, and located in a parish with a 1990 census population of less than 17,000.

Existing law provides that the Dept. of Health and Hospitals (DHH) shall only cover out-of-state Medicaid services if certain conditions are met. Further provides that DHH shall insure that reimbursement for Medicaid services provided out-of-state shall be the lesser of the payment for such services by the state wherein such hospital is located or DHH's payment made to like in-state providers.

Existing law requires DHH to provide for further restrictions on out-of-state payment for and coverage of La. Medicaid recipients if permissible under federal law.

New law specifies that such further restrictions shall include reducing the rate of out-of-state services to the average paid to Louisiana rural hospitals for such services if that rate is less than the other reimbursement rates provided in existing law.

Existing law authorizes reimbursement of an out-of-state provider when the state determines, on the basis of medical advice, that the needed medical services are necessary supplementary resources, and more readily available in the other state.

New law provides that the DHH secretary may negotiate a higher rate of reimbursement to an out-of-state hospital in the event that a La. Medicaid recipient requires services that cannot be provided by any La. hospital or provider and when these services can only be provided by an out-of-state provider.

Effective August 15, 1999.

(Amends R.S. 40:1300.143(3) and 1300.144(A)(3)(b); Adds R.S. 40:1300.144(A)(3)(c))